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note-24 sig(I)

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DCI/ICS-82-3057  
18 March 1982

## MEMORANDUM FOR THE RECORD

SUBJECT: Senator Inouye's Concerns  
about the SIG(I)

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1. At Danny Childs' request, [ ] I met with him yesterday to discuss the SIG(I). Childs spoke with us as acting designee for Senator Inouye. On behalf of the Senator, Childs has talked to NSC Staff members about NSDD 2, particularly the organization of the SIG(I). Those with whom Childs spoke referred him to us as being more knowledgeable about SIG(I) matters than they are. They did acknowledge to him that NSDD 2 was not coordinated with us prior to its being issued in January. And, in response to his questions about the reasons for changes from earlier drafts and from the organization used by prior administrations, they opined that it is because the President likes simple structures.

2. According to Childs, there are three issues that concern Senator Inouye. If he is not satisfied with the information that Childs develops for him, he is likely to raise the three subjects again with the Chairman and Vice Chairman of the SSCI prior to discussing them himself or having Senators Goldwater and Moynihan discuss them with the President. Following are the issues Childs identified and as much as he told us of his inquiries and findings:

- o NSDD 2 does not provide a mechanism for consideration of covert action activities. Inouye is concerned that there is no replacement identified, either in classified or unclassified documents, for the SCC in the Carter administration that was charged with approval of covert actions. He acknowledged that this is not the Intelligence Community's problem, but rather one with which the NSC Staff should be dealing. We told him that it is our understanding that the NSPG deals with covert action operations. He said that he heard this as well, but lamented the lack of direct assignment of responsibility.
- o The Attorney General is not identified as a member of the SIG(I) despite the group's responsibility to review proposals for sensitive foreign intelligence collection operations. Inouye is concerned about the apparent contradiction between the Executive Order, which takes account of the Justice Department's role in collection against US persons in the US, and NSDD 2, which does not even call for Attorney General membership on the SIG(I) when sensitive collection matters are discussed. We assured Childs that the DCI would not

consider holding a SIG(I) on this subject without including the Attorney General. There is an informal agreement between the DCI and the Attorney General that calls for us to notify the Department of Justice whenever there is a SIG(I) meeting, to see whether DOJ has an interest in attending. The Justice Department has attended all the SIG(I) meetings to date. Childs asked if any guidelines had been developed for the SIG(I), particularly to govern its consideration of sensitive collection operations. We told him that none had been developed and that the SIG(I) had not yet met to review sensitive collection operations. Moreover, sensitive foreign intelligence collection operations had not been defined officially.

- o The DCI apparently dominates counterintelligence activities because of his chairmanship of the SIG(I). We assured Childs that there is cooperation between the DCI and the FBI on the development of counterintelligence policy. We told him that a SIG(I) meeting on counterintelligence to be attended by both Mr. Casey and Judge Webster will be scheduled for later this month. He is aware of NSSD 2, which calls for an assessment of counterintelligence capabilities, but it was not apparent whether he has a detailed knowledge of what it includes. He agreed to ask Senator Inouye to delay any complaints on this issue, at least until the SIG(I) meeting has taken place and a structure for an IG on counterintelligence is developed. We told him that it was likely that the IG would be jointly chaired by representatives of the DCI and the Director, FBI. We also told him that it was unlikely that any organizational decisions on management of foreign counterintelligence would be made in the near term, but that cooperation will continue at all levels. We assured him [redacted] has the cooperation of all parties and sufficient resources to coordinate counterintelligence activities for the Community.

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3. In addition to discussing the issues that concern Senator Inouye, we described briefly the activities of the SIG(I) over the past year. We told him that it is likely that attendance at SIG(I) meetings will change in the future, because we are making more of an effort to see that those identified in NSDD 2 actually attend the meetings. Despite the fact that the structure has been in place for more than a year, we acknowledged that use of SIG(I) is still evolving.

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